

AQILION

CORPORATE GOVERNANCE REPORT 2022

AQILION AB (publ) is a public Swedish limited liability company, company registration number 556623-2095, with its registered office in Helsingborg.

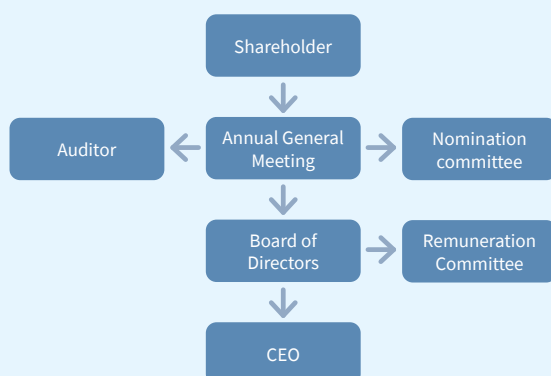
This Corporate Governance Report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish and the translation, the former shall prevail.

Corporate governance refers to the rules and decision-making hierarchies that contribute to the efficient and controlled management of the operations of a company, with the aim of meeting the owners' demands for return on invested capital. Corporate governance in Sweden has traditionally been regulated by law. In addition, the industry's self-regulatory bodies have continuously presented various provisions on corporate governance.

The Swedish Code of Corporate Governance ("the Code") issued by the Swedish Corporate Governance Board is not mandatory for Aqilion, but the board will closely follow the practices developed for the Code and intends to apply the Code in those parts that may be deemed relevant to the company and its shareholders.

The concept of corporate governance describes the decision support system by which the company is governed. Aqilion is committed to maintaining a high standard of governance through the clarity and simplicity of its management systems and governing documents. Governance of the company is based on its articles of association, the Swedish Companies Act and other applicable laws and regulations.

All shares in Aqilion carry the same voting rights, which means that the ability to exercise owner influence as an owner corresponds to each shareholder's stake in the company.



SHAREHOLDER STRUCTURE

The shareholder structure according to the share register as of December 31, 2022, is shown in the table below:

| Shareholder | Number of shares | Holdings in % |
|--|------------------|---------------|
| LMK Forward AB | 1,021,314 | 16.9 |
| Fåhraeus Startup & Growth AB | 981,312 | 16.2 |
| Longbow Finance S.A. | 966,473 | 16.0 |
| Länsförsäkringar Göteborg och Bohuslän | 400,130 | 6.6 |
| Aktiebolag Grenspecialisten | 361,114 | 6.0 |
| Länsförsäkringar Halland | 233,400 | 3.9 |
| Nocroc Venture AB | 226,865 | 3.7 |
| LEO Pharma A/S | 221,527 | 3.7 |
| Parkander, Björn | 136,580 | 2.3 |
| Henry Dunkers Förvaltnings AB | 109,694 | 1.8 |
| Total ten largest shareholders | 4,658,409 | 77.0 |
| Other shareholders | 1,391,881 | 23.0 |
| Total | 6,050,290 | 100.0 |

2022 ANNUAL GENERAL MEETING

The Annual General Meeting was held on June 16, 2022, in Helsingborg, where 43.8% of the number of shares and voting rights were represented.

The Nomination Committee consisted of Christian Ewe (chair), Helena Arcombe, Linnea Höglund and Katarina Berggren.

RESOLUTIONS

Adoption of the income statement and balance sheet, as well as appropriation of profit or loss

The Annual General Meeting adopted the income statement and balance sheet for the 2021 financial year as presented in the annual report. The meeting resolved that the entire amount at the disposal of the meeting should be carried forward.

Dividend

The Board of Directors proposed that no dividend be paid for the 2021 financial year.

Discharge from liability

The Annual General Meeting discharged the members of the Board of Directors and the CEO from liability for the 2021 financial year.

Determination regarding the number of Board members and election of the Board of Directors

The Meeting resolved that the Board will consist of six members without deputies. The following individuals were elected to serve on the Board until the next Annual General Meeting: Roland Andersson (reelection), Marie Lidgard (reelection), Bertil Lindmark (new election), Martin Olovsson (reelection), Gunilla Savring (reelection) and Andreas Segerros (reelection). Bertil Lindmark was elected to serve as Chairman of the Board.

The Chairman of the meeting thanked Johan Lund for his meritorious work as Chairman of Aqilion, as Johan's role as Chief Scientific Officer of the company had increased and he therefore declined reelection.

Determination of fees for the Board of Directors and the auditors

The Annual General Meeting resolved to pay fees until the close of the next Annual General Meeting in the amount of SEK 210,000 to the Chairman of the Board and SEK 90,000 for each Director of the Board who is not employed by the company. Remuneration to the auditor will be paid on approved account.

Election of auditor

Mazars AB Helsingborg with authorized public accountant Andreas Brodström and Bertil Toreson as co-auditor were reelected to serve until the next Annual General Meeting.

Adoption of principles for appointing the Nomination Committee and the task of the Nomination Committee

The Annual General Meeting resolved in accordance with the Board's proposal. The resolution on instructions for the Nomination Committee shall be in effect until such time that the Annual General Meeting decides otherwise.

Resolution to amend the Articles of Association

The Annual General Meeting resolved in accordance with the Board's proposal.

Resolution that Aqilion shall become a CSD-registered company

The Annual General Meeting resolved in accordance with the Board's proposal that the company shall become a CSD-registered company and that the company shall be affiliated with Euroclear as central securities depository.

Resolution on authorization

The Annual General Meeting resolved in accordance with the Board's proposal to authorize the Board of Directors to resolve on a rights issue of shares.

The Annual General Meeting resolved in accordance with the Board's proposal to authorize the Board to resolve on the issue of shares, convertibles and/or warrants.

NOMINATION COMMITTEE

The task of the Nomination Committee is to put forward proposals regarding the election of the Chairperson of the Annual General Meeting, election of the Chairperson and other members of the Board, appointment of auditors and fees paid to the Directors and the Auditors. The Nomination Committee shall consist of representatives of the four largest shareholders in terms of votes as of September 30 each year before the Annual General Meeting is held. The Chairman of the Board of Directors is instructed to contact shareholders as described above as soon as possible after 30 September each year.

If any of the four largest shareholders in terms of votes chooses to waive its right to appoint a member of the nomination committee, or otherwise may be considered to have waived such right, the next shareholder in turn shall be given the opportunity to appoint a member of the nomination committee. More than a total of ten shareholders need not be consulted, unless this is required for the nomination committee to consist of at least three members.

It is incumbent upon the Chairman of the Board to convene the Nomination Committee. The members of the Nomination Committee for the 2023 Annual General Meeting are as follows:

- Christian Ewe, appointed by the shareholder LMK Forward AB
- Linus Wiebe, Chairman of the Board, appointed by the shareholder Fähræus Start Up and Growth Fund AB
- Katarina Berggren, appointed by the shareholder Grenspectalisten AB

Work of the Board of Directors and organization

The Board of Directors is the Company's highest administrative body under the General Meeting. The Board of Directors is charged with the organization of the Company and management of its operations. It is also the Board's duty to ensure that the organization in charge of accounting and the management of assets is subject to satisfactory control.

Under the Articles of Association, Aqilion's Board of Directors is to consist of a minimum of zero and a maximum of ten members, with a maximum of ten deputies. Directors are elected annually at the Annual General Meeting for a one-year term up until the close of the following AGM. The AGM also appoints the Chairman of the Board. The guidelines for the work of the Board of Directors are based on the rules of procedure, which also regulate the allocation of work between the Board of Directors, the Chairman of the Board and the CEO.

The Board of Directors held its statutory meeting on June 16, 2022. In 2022, the Board held five face-to-face meetings at which the meetings were recorded, a two-day working meeting for strategy discussion and a few telephone meetings.

During the year the Board had six directors. In 2018, the Board established a Remuneration Committee consisting of members of the Board. Martin Olovsson (chair) and members Bertil Lindmark and Gunilla Savring have been serving on the Remuneration Committee and will do so until the 2023 Annual General Meeting. Other company representatives participate as needed during board meetings as reporters or in administrative roles.

The company's auditor reports annually to the Board of Directors on the audit of the accounts and operations. Remuneration to the Board of Directors was paid with a fee of SEK 210,000 to the Chairman of the Board and SEK 90,000 for each Board member in 2022/2023.

The fee is approved by the Annual General Meeting based on a recommendation prepared by the Nomination Committee.

Chief Executive Officer

The Chief Executive Officer is responsible for ensuring that operating activities are handled in accordance with the guidelines and instructions provided by the Board of Directors, as clarified in separate instructions for the CEO.

The CEO shall ensure, through satisfactory control systems, that the Company complies with laws and regulations. Moreover, the CEO shall ensure that the Board receives factual, detailed and relevant information necessary for the Board to make informed decisions. In addition, the CEO pursues a continuous dialogue with the Chairman of the Board and keeps the Chair informed about the performance and financial position of the company.

Auditors

The Company must have two auditors with or without a deputy auditor. The appointment as auditor shall apply until the close of the General Meeting, which is held during the fourth financial year after the election of the auditor. At the 2022 Annual General Meeting, Mazars Audit Office in Helsingborg was re-elected as auditor, with Andreas Brodström as principal auditor and Bertil Toreson as co-auditor.

Principles and guidelines for remuneration of senior executives

Guidelines for remuneration of senior executives were adopted by the Annual General Meeting on May 20, 2021, and are in effect until the 2024 Annual General Meeting. The current principles and guidelines for remuneration of senior executives are presented in note 9 on page 55 and note 24 on page 64.

Board of Directors

The members of Aqilion's Board of Directors have a wide range of skills and experience to ensure the long-term development and strategic governance of the company.



Bertil Lindmark

Chairman of the Board
since 2022

Member of Remuneration Committee
since 2022

Education: MD, PhD 1982 at Lund University, Specialist in internal medicine and gastroenterology, 1987, Ph.D. 1991 at Lund University, Professor 2019 at the University of Gothenburg.
Other assignments: Chief Medical Officer (CMO) at Galecto Inc., board member of ALK-Abelló A/S.

Experience and previous assignments: Professor Bertil Lindmark has a long and successful career in biopharma with leading global positions at AstraZeneca and Almirall, as well as in several biotech companies. His focus on the respiratory system, immunology and cancer has contributed to global drug approvals and successful product launches. He has also been involved in numerous IPOs, major fundraising campaigns and acquisitions.

Born: 1955

Holdings: 23,688 shares.



Marie Lidgard

Board member
since 2014

Education: Bachelor of laws degree Served in Stockholm District Court.

Other assignments: Senior partner at Lavindia AB. Board member of Fundrella AB. Board member of Von Euler och Partners Kapitalförvaltning AB, Hypoteket Fondförvaltning AB, KONSTAB Film och teater AB, MoM Lidgard AB and Lavindia AB.

Experience and previous assignments: Marie Lidgard has more than 30 years of experience in the financial sector, including as CEO of the Swedish Investment Fund Association. In recent years, she has been active as an investor and founder of many new companies and currently sits on the board of directors for several companies.

Born: 1956

Holdings: 50,671 shares through company.



Roland Andersson

Board member
since 2018

Education: Medical degree 1981 at Lund University, Specialist in general surgery 1987, Professor of surgery 2000 at Lund University

Other assignments: Chairman of the Board of Reccan Diagnostics AB, Nordic Biotechnology AB; Board member of Lumito AB.

Experience and previous assignments: Professor Roland Andersson's clinical work and research focuses on malignancies of the pancreas, liver and biliary tract. He also leads a translational research group with a focus on development of novel biomarker panels for diagnosis, prognosis, assessment, treatment selection and outcomes, as well as on increasing knowledge of the disease itself. He has published about 500 original articles, reviewed articles and book chapters, and supervised 30 PhD students. He also has an extensive international network and has founded six companies in his role as an entrepreneur.

Born: 1955

Holdings: 40,718 shares privately and through company.



Martin Olovsson

Board member
since 2019,
Chair of the
Remuneration Committee
since 2020

Education: B.Sc., business administration, Lund University 1992

Other assignments: CEO of OnDosis AB. Board member of IP Enabler AB.

Experience and previous assignments: Martin Olovsson is the CEO of OnDosis AB, a medtech/healthtech company that he co-founded in 2017. Martin has many years of experience in the pharmaceutical industry with responsibility for portfolio and product strategies, life cycle management, collaboration between R&D and marketing, as well as commercialization. Martin has extensive experience from in- and out-licensing of both pharmaceuticals and technologies. Between 1992 and 2017 he held several international executive positions within Astra/AstraZeneca, including as President of the Nordic/Baltic marketing and sales company, as well as Vice President of the Inhaled Respiratory business area.

Born: 1967

Holdings: 21,108 shares.



Andreas Segerros

Board member
since 2018

Education: M.Sc. in biotechnology and biomaterials, Royal Institute of Technology (KTH), 1984; MBA Uppsala University 1992

Other assignments: CEO of Nicox S.A. (France). Chairman of the Board of Oncorena AB (Sweden) and Oncorena Holding AB (Sweden), DexTech Medical AB (Sweden) and Nicox Research Institute (Italy).

Experience and previous assignments: Andreas Segerros has spent most of his career with global pharmaceutical companies. He has many years of experience from international executive positions at Pharmacia Corporation, Pharmacia & Upjohn and Ferring in research & development, marketing and business development in the US, Europe and Japan. He also has experience as a venture capitalist while working as a venture partner and partner at Sunstone Capital and Eir Ventures. He has made numerous investments in successful growth companies in the life science sector.

Born: 1960

Holdings: -



Gunilla Savring

Board member
since 2021,
Member of
Remuneration Committee
since 2021

Education: Executive MBA, EFL (Executive Foundation Lund), as well as studies in marketing and communication at Lund University.

Other assignments: CEO and senior consultant in her own company. Board member of aXichem AB and Incendia AB.

Experience and previous assignments: Gunilla Savring has many years of experience of corporate management and investor relations at development and growth companies such as Axis Communications, Precise Biometrics and Clinical Laserthermia Systems within the IT, pharmaceutical and chemical technology sectors. She has also experience from serving on the board of several listed companies.

Born: 1962

Holdings: 2,364 shares through company.

Employees

Aqilion is run as a team, under the leadership of the CEO and the management team, with support from key consultants and partners. The main tasks involve exploring and evaluating new project ideas and leading and driving the project development process. The team is composed of individuals with extensive experience from the pharmaceutical industry. They have different backgrounds and areas of expertise that enable them to provide strategic and practical support to both early and advanced projects. Together with project managers and selected specialists, the team actively works on projects from idea to exit.

The team also coordinates administration, operations and communication related to both Aqilion and the projects, which facilitates cost-efficient allocation of resources and efficient operations.

Carina Eldh
Chief Controlling Officer
In current position
since 2019, employed
since 2011.



Education: Secondary school economics 1989, Graduate in accounting 1999, certified controller 2021.

Other assignments: -

Experience and previous assignments: Carina Eldh has more than 20 years of experience in accounting, auditing and taxation and has previously held positions at KPMG and other auditing and advisory firms, the Swedish Tax Agency and Öresundskraft.

Born: 1970

Holdings: 9,900 shares.

Anneli Hällgren
Vice president,
Senior Consultant
preclinical development
In current position
since 2022.



Education: B.Sc. in Pharmacy and Ph.D. in Physiology from Uppsala University.

Other assignments: -

Experience and previous assignments: Anneli Hällgren has more than 25 years of experience in research and development projects in various indications and disease areas with a focus on documentation for clinical studies and market authorization applications. Her career began at AstraZeneca, where she worked as a safety pharmacologist and preclinical project manager. Since then, she has held leading positions at companies such as KaroBio, Biolipox and Melacure Therapeutics. Most recently, she has worked as a consultant in preclinical drug discovery.

Born: 1965

Holdings: 5,300 shares through company.

Sarah Fredriksson
Chief Executive Officer
In current position
since 2017.



Education: PhD in Biochemistry in 1999 and MSc in Chemistry in 1993 from the Faculty of Engineering, Lund University

Other assignments: Member of the Board of Directors of the Faculty of Engineering, Lund University (LTH).

Experience and previous assignments: Sarah Fredriksson founded Genovis AB and during her time as CEO for more than 15 years, Genovis' product concept was developed and launched and the company was listed on First North, Nasdaq OMX Nordic. Sarah Fredriksson has years of experience from research and development in biotech from both academia and industry. She has been active for several years as an entrepreneur, CEO and board member in unlisted and listed life science companies such as Genovis AB (publ), Edvince AB, Geccodots AB, Respiratorius AB (publ) as well as the board of Lund University and the association for the life science industry SwedenBIO AB.

Born: 1968

Holdings: 33,030 shares.

Malin Hultqvist Hopkins
Senior director,
biology discovery
In current position
since 2022.



Education: Master of Medicine in Pharmaceutical Bioscience at the University of Gothenburg and PhD in Medical Inflammation Research at Lund University.

Other assignments: Board member and CEO of Redoxis AB and board member for ProNoxis AB.

Experience and previous assignments: Malin Hultqvist Hopkins has more than 15 years of experience in R&D and early drug discovery. She has held several positions at Redoxis AB, including Project Leader Drug Discovery and Director of CRO Studies, and has served as CEO of the company since 2016. Redoxis offers preclinical services. Malin has extensive experience in immunology and preclinical models in inflammation and autoimmunity.

Born: 1979

Holdings: 7,950 shares through company.

Martin Johansson
Vice president,
Chief Discovery Officer
In current position
since 2019.



Education: PhD in Organic Chemistry, 2002, Associate Professor in Organic Chemistry and Master's degree in Chemical Engineering, 1997, Lund University.

Other assignments: Board member of Selcis Biopharma AB.

Experience and previous assignments: Martin Johansson has been involved with Aqilion since 2012 as project manager for the former project company Glactone Pharma AB. He has 20 years of experience in medicinal chemistry and preclinical drug discovery and development. Previously, he has held the position of Chief Scientific Officer at Respiratorius AB and Senior Research Scientist at AstraZeneca, Discovery R&D.

Born: 1971

Holdings: 21,000 shares.

Fredrik Lindgren

*Vice president,
Chief Business Officer*
In current position
since 2018.



Education: PhD in chemistry, 1994 and B.Sc. in chemistry 1989, Umeå University.

Other assignments: -

Experience and previous assignments: Fredrik Lindgren's background is in the pharmaceutical industry, with experience from key positions in areas such as business development processes at AstraZeneca and LEO Pharma. Most recently he held the position of Senior Director, Head of Global Business Development, at LEO Pharma.

Born: 1967

Holdings: 26,000 shares.

Anneli Tinnerholm

Director, Clinical Operations
In current position
since 2022.



Education: Bachelor of Medical Science in Medical Biology at Linköping University and studies in clinical drug development at Uppsala University.

Other assignments: -

Experience and previous assignments: Anneli Tinnerholm has more than 10 years of clinical trial experience as a Clinical Research Associate and Clinical Trial Project Manager. She has held operational positions in the CRO companies NORMA and LINK Medical, after which she served as advisory clinical project manager at SDS Life Science, with a focus on small pharmaceutical and biotech companies. Anneli's expertise in clinical activities spans development from first in humans (FIH) to Phase I – IV clinical trials in different indications and disease areas.

Born: 1986

Holdings: 4,550 shares privately and through company.

Torgeir Vaage

*Vice president,
Chief Financial Officer*
In current position
since 2020.



Education: Degree in business administration from the Norwegian School of Economics (NHH) and a PhD in business administration from the University of California, Berkeley, USA.

Other assignments: CFO of Initiator Pharma and Acesion Pharma.

Experience and previous assignments: Torgeir Vaage has more than 20 years of combined experience in the life science industry and the financial sector. In recent years, he has worked in Denmark and Norway as CFO and CEO for several small biotech companies with a focus on pharmaceuticals. Prior to that he was a senior analyst and partner at ABG Sundal Collier, senior capital analyst at Handelsbanken and management consultant at AT Kearney in Oslo.

Born: 1964

Holdings: 29,590 shares through company.

Johan Lund

*Vice president,
Chief Scientific Officer*
In current position
since 2021.



Education: MD, PhD 1986 Karolinska Institutet; Post-doctoral studies 1987-1989 UT Southwestern Medical Center, Texas; Associate Professor 1990 Karolinska Institutet; Professor 1996 University of Bergen.

Other assignments: Chairman of the Board of NEOGAP Therapeutics AB and board member of Olink Proteomics AB, Genagon Therapeutics AB, Pelago AB, LIDDS AB, Neuvantis Therapeutics AB and MBS Pharma AB.

Experience and previous assignments: Dr. Johan Lund has many years of experience from executive positions in pharmaceutical research and development. He is the CEO and founder of Neuvantis AB and the founder of MBS Pharma AB and KyNexis B.V. Most recently, he was Vice President of Translational R&D at Celgene, in Cambridge, Massachusetts, USA, with responsibility for early research and development in inflammation and immunology. Previous positions include Chief Scientific Officer, Immunoscience Research Unit at Pfizer, Cambridge, Massachusetts, as well as 14 years at AstraZeneca in executive positions in Sweden and the UK as Vice President CNS & Pain Innovative Medicines Science and Vice President Respiratory and Inflammation Research.

Born: 1957

Holdings: 41,160 shares through company.

Jan Törnell

*Vice president,
Chief Medical Scientist*
In current position
since 2018.



PhD in Physiology, Faculty of Medicine, University of Gothenburg, 1990; and Associate Professor in Physiology, 1992.

Other assignments: Chairman of the Board of Glactone Pharma AB, LIDDS AB (publ) and Innoext AB; Board member of Abliva AB (publ).

Experience and previous assignments: Jan Törnell has been involved with Aqilion/PULS since 2012 through board positions in portfolio companies, as project manager/CEO and as an innovator. He also has many years of experience in executive positions in the pharmaceutical industry internationally. He has previously held the position of Global Vice President Strategy, Oncology & Infection and Global VP Translational Science at AstraZeneca and was Professor at the Department of Neuroscience and Physiology, Sahlgrenska Academy, University of Gothenburg. Previously also chairman and board member of several listed and unlisted companies.

Born: 1960

Holdings: 7,644 shares.



AQILION

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